## §536.203

## § 536.203 Determination of retained grade.

- (a) An employee who is in a position under a covered pay schedule immediately prior to the action which gives entitlement to grade retention shall retain the grade held immediately prior to the action.
- (b) An employee who is in a position not under a covered pay schedule immediately prior to the action which gives entitlement to grade retention shall retain:
- (1) The lowest grade of the covered pay schedule in which placed which has a representative rate equal to or higher than the representative rate of the grade held immediately prior to that placement; or
- (2) The highest grade of the covered pay schedule in which placed, if there is no grade in the covered pay schedule with a representative rate equal to or higher than the representative rate held immediately prior to that placement.

[44 FR 54693, Sept. 21, 1979, as amended at 64 FR 69174, Dec. 10, 1999]

EFFECTIVE DATE NOTE: At 64 FR 69174, Dec. 10, 1999, \$536.203 was amended by removing the misspelled word 'immediatley' and adding in its place 'immediately' in paragraph (b), effective Jan. 10, 2000.

## § 536.204 Determination of applicable rate schedule.

- (a) When an employee entitled to grade retention is placed in a position in a different geographical area, the rate schedule which applies to the employee is the rate schedule in the new geographical area.
- (b) When an employee entitled to grade retention is placed in a position in, or his or her position is changed to, a different occupational series, the rate schedule which applies to the individual is the rate schedule for the new occupational series.

## §536.205 Determination of rate of basic pay.

(a) When an employee becomes entitled to grade retention, or moves to another position during a period of grade retention under conditions which permit continuation of the grade retention entitlement, the employee is entitled to the greatest of:

- (1) His or her rate of basic pay before the movement, or
- (2) The rate of basic pay from the applicable rate schedule for the grade and step (except as provided by \$531.204(e)(4) of this chapter) held by the employee before the movement, or
- (3) The lowest rate of basic pay from the applicable rate schedule for the retained grade which equals or exceeds the employee's rate of basic pay before the movement.
- (b) (1) When an employee becomes entitled to pay retention, or moves to another position while receiving pay retention, the employee's rate of basic pay immediately prior to eligibility or movement shall be compared with the range of rates of basic pay for the position to be occupied by the employee upon this eligibility or movement.
- (2) The employee is entitled to the lowest rate of basic pay in the position to be occupied upon the eligibility or movement which equals or exceeds his or her rate of basic pay immediately prior to the eligibility or movement. If the rate of basic pay can be accommodated in the rate range of the latter position, pay retention does not apply.
- (3) If the employee's rate of basic pay immediately prior to the pay retention exceeds the maximum rate of the position to be occupied when he or she becomes entitled to pay retention, the employee is entitled to the lower of:
- (i) The rate of basic pay payable to the employee immediately before the reduction in pay; or
- (ii) 150 percent of the maximum rate of basic pay payable for the new grade.
- (4) If an employee moves to another position at the same grade while entitled to pay retention, the employee's rate of basic pay after movement may not be less than the maximum rate of basic pay for the newly applicable rate range.
- (c) When an increase in the scheduled rates of the grade of the employee's position occurs while the employee is under pay retention, the employee is entitled to 50 percent of the amount of the increase in the maximum rate of basic pay payable for the grade of the employee's current position.
- (d) When, as a result of an increase in the scheduled rate(s) of the grade of the employee's position, an employee's